RHODE ISLAND DIVISION OF TAXATION
NON-RESIDENT SELLER OF REAL ESTATE
ELECTION TO HAVE WITHHOLDING BASED ON GAIN

TAX YEAR OF SALE: _____

Seller # 1

Name _____

Address _____

_____

SS# or FEI# _____

Seller # 2

Name _____

Address _____

_____

SS# or FEI# _____

IF MORE THAN TWO SELLERS, ATTACH SCHEDULE

If husband and wife own property jointly and will file a joint income tax return, check here ( ) and both sign below. If husband and wife own property jointly and will not file a joint income tax return, treat as separate/multiple sellers.

Expected closing date : _____

IN THE EVENT OF MULTIPLE SELLERS, ALL SELLERS MUST ELECT THIS METHOD OR

THE NET PROCEEDS METHOD WILL BE USED

ELECTION FOR WITHHOLDING BASED ON GAIN

I (we) the prospective seller(s) of property located at _____
(street address)

in the City/Town of _____ Rhode Island and further

designated as _____ in the land records of said city/town, hereby elect to have the
(plat # and lot #)

withholding required under R. I. G. L. 44-30-71.3 based on my (our) estimated gain rather than on net proceeds. I (we) hereby request that the Rhode Island Division of Taxation approve my (our) estimated withholding computation and forward to me (us) or to another designated person, a certificate of withholding due prior to the closing date above. I (we) understand the failure to make this election by filing this form with the Division of Taxation at least 20 days prior to the expected closing date will result in withholding based on net proceeds at the time of sale. I (we) understand that this election is binding and will result in an amount based on estimated gain to be withheld at the closing in lieu of withholding calculated on net proceeds.

CALCULATIONS:

1. Gross sales price (real estate and personal property) $ _____

2. Less expenses of sale $ _____

3. Net sales price $ _____

4. Less cost or other basis $ _____

5. Gain (Loss) , If a gain, and all is recognizable, enter here and on Line 7 below. If a loss, stop here, sign and send return for certificate of no withholding due. $ _____

6. If some part of the gain is not taxable (e. g. installment sale); or if all the gain is not taxed for federal income tax purposes, enter the nonrecognized gain here $ _____

7. Gain Subject to Withholding (line 5 less line 6) $ _____

8. Withholding Rate - 6% if seller is an individual, estate or trust, 9% if seller is a corporation.   _____ %

9. Withholding Due (multiply line 7 by line 8) $ _____

see reverse side for signature line

RI - 71.3 Election

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SPECIAL TYPES OF TRANSACTIONS

( ) Check here if this sale will not be subject to tax under IRC Section 121, 721, 1031, 1033, or 1034 and circle the applicable section. If such section does not ultimately apply to this transaction, the seller acknowledges the obligation to file a Rhode Island tax return for the year of the sale.

INSTALLMENT SALE SCHEDULE

( ) Check here if the seller will be recognizing gain from this transaction on the installment sale election for federal tax purposes.   A complete installment sale schedule must be attached to this election form.   See regulations and instructions and enter the amount of nonrecognized gain on Line 6 on the front of this form.

THE SELLER ACKNOWLEDGES THAT RHODE ISLAND TAX RETURNS ARE DUE FOR EACH YEAR OF THE INSTALLMENT SALE.

_____   _____
(Signature)   (Date)

_____   _____
(Signature)   (Date)

IF MORE THAN 2 SELLERS, ATTACH SCHEDULE FOR OTHER SIGNATURES

NONRESIDENT CORPORATE INFORMATION

If the seller is a nonresident corporation, the buyer will be deemed to be in compliance with the remittance requirements if the seller provides the buyer with a Letter of Good standing issued by Tax Administrator for the purposes of the sale.

WITHHOLDING APPLIED

Withholding will be credited to the Nonresident Rhode Island seller's(s) individual or corporate tax return(s) which must be filed by the seller(s) for the year of sale. If such withholding exceeds the actual tax due, the balance will be refunded upon filing of a return and, if less than the actual tax due, the balance will be due by the due date of the tax return filed for the year of sale.

MAIL THIS FORM TO: Chief Revenue Agent
                                Personal Income Tax Section
                                Rhode Island Division of Taxation
                                One Capitol Hill
                                Providence, Rhode Island 02908